

PROVINCE OF ALBERTA



LEGISLATIVE ASSEMBLY

# Budget Speech

OF

THE HON. A. O. AALBORG

TREASURER OF THE PROVINCE OF ALBERTA

DELIVERED AT THE THIRD SESSION  
OF THE

## Sixteenth Legislature

OF THE PROVINCE OF ALBERTA

# 1970

IN THE

## Legislative Assembly of Alberta

ON MOVING THE HOUSE INTO COMMITTEE OF SUPPLY

ALSO STATEMENTS OF  
FINANCIAL AND GENERAL INFORMATION

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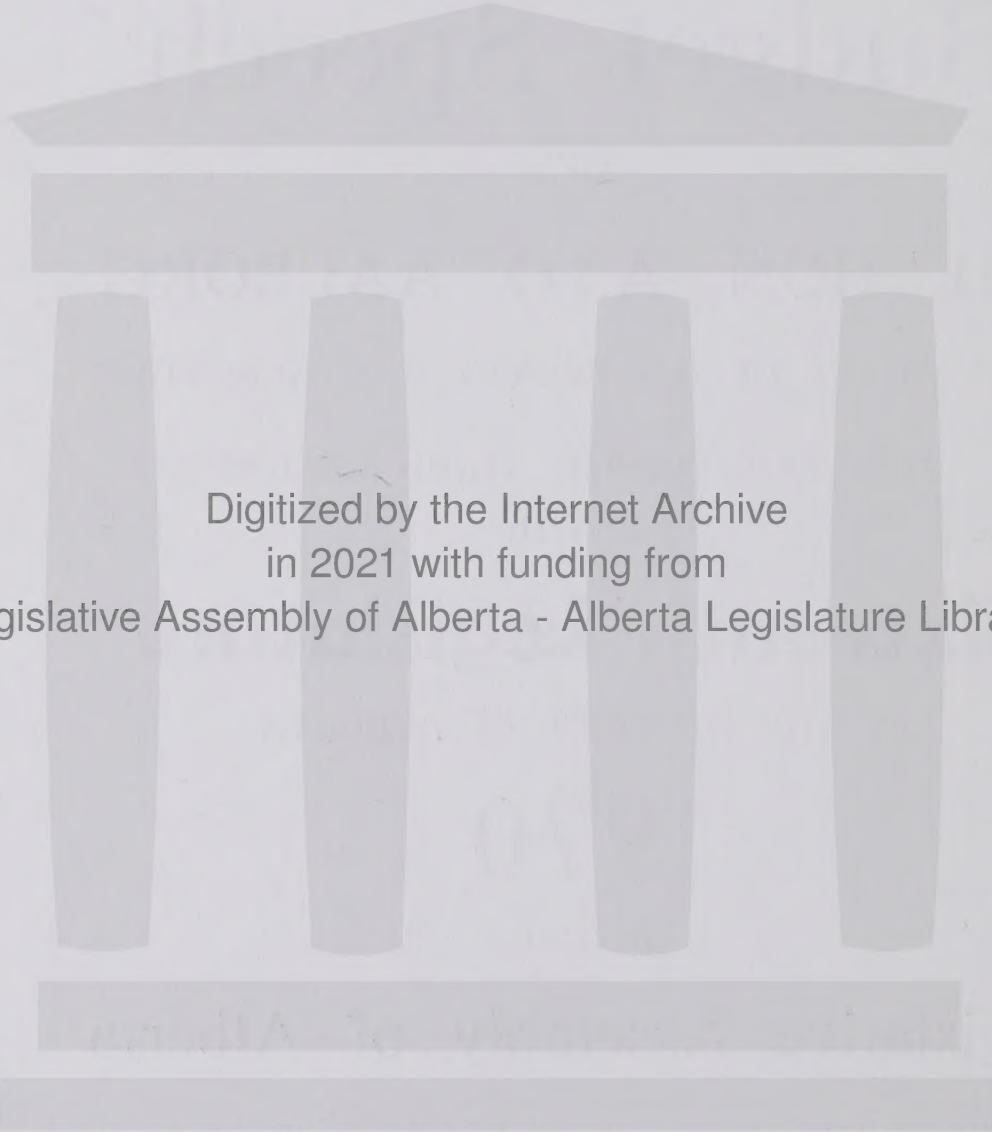
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# 1970 BUDGET SPEECH

MR. SPEAKER:

This is the sixth occasion on which I rise to propose the time honored motion that you do now leave the Chair and that this Assembly resolve itself into a Committee of Supply for the consideration of sums to be granted to her Majesty.

The Budget which I present today is the second Budget placed before this Assembly by Premier Harry Strom's Social Credit Government, a Government dedicated to policies and programs which offer efficient and contemporary services for the development of the great human potential of Alberta.

In reviewing the Budgets which I have had the privilege of submitting to the Honourable Members in former years I note that in my first Budget Speech at the 1965 Session I stated that the Government could foresee that in the early 1970's the annual budget would pass the \$1,000,000,000 mark. This level has now been reached a year or two earlier than was anticipated five years ago.

For the next fiscal year, 1970-71, total expenditures are estimated at \$1,146,012,185 of which the sum of \$930,312,894 has been allocated to expenditures on income account and the sum of \$215,699,291 to expenditures on capital account and for statutory payments. In total this budget is \$166,699,910 or about 17% greater than the total Budget of \$979,312,275 for the current fiscal year.

During the next fiscal year revenue on income account is estimated at \$954,414,791 for an excess of \$24,101,897 over expenditures of \$930,312,894 on income account. This excess will be used to meet in part estimated expenditures of \$215,699,291 on capital account and for statutory payments. The balance of expenditures on capital account and for statutory payments will be met by estimated revenues of \$78,753,385 on capital account and by borrowings and withdrawals from reserves in the amount of \$112,844,009.

Because total estimated revenues on both income and capital accounts are not sufficient to cover total estimated expenditures for all purposes it has not been possible for the Government to follow our long standing pay as you go policy in preparing our Budget for the next fiscal year. Instead we have for the year ahead adopted the policy and practice very commonly used in many jurisdictions of paying capital expenditures from current revenues to the greatest extent possible and then financing the balance of capital expenditures from borrowings.

No new Provincial taxes or increases in the current rates of Provincial taxes are proposed. The four mill property tax for hospital insurance will be dropped and replaced by an adjustment in the premiums charged by the Health Care Commission.

This change in policy for the fiscal year 1970-71 has been made necessary not by any unexpected drop or decline in our revenues, but by the rapid acceleration in our expenditures for social services, particularly education.

Revenues from all major sources except the sale of petroleum and natural gas leases show a satisfactory upward trend as our detailed estimates



will clearly reveal. The Honourable Members will recognize that this may be attributed in part to the tax increases which were approved at the 1968 and 1969 Sessions. In connection with revenues derived from the development of petroleum and natural gas resources there is ample evidence of substantially increased exports of oil and gas. We have, therefore, increased estimated royalties to \$124,000,000 as compared with \$112,000,000 for the current year, and estimated receipts from rentals and fees from \$52,000,000 this year to \$55,000,000 next year. However, actual receipts from the sale of leases during the current year will fall far short of the estimated amount of \$105,000,000, and we expect to collect not more than \$75,000,000 from the sale of leases during the next fiscal year.

Notwithstanding our firm restraints from year to year, rising expenditures continue to exceed increases in revenues from present sources.

In all previous Budgets that I have presented in this Assembly I have called attention to this disturbing trend and I must again strongly emphasize that if the rate of acceleration of these expenditures is not sharply reduced in future years their growing magnitude will quickly outstrip all revenues available to the Province from present and potential sources.

It is a rather strange paradox that while our revenues are generally more buoyant than ever before, and our proposed expenditures have reached levels undreamed of a few years ago, pressures and demands for additional funds for a constantly growing variety of purposes are louder and more insistent than at any previous time in our history.

As I am sure the Honourable Members are well aware this situation in Alberta is by no means unique, but is common today throughout Canada and in many other countries. To a large extent it is the result of mounting inflation during the past two decades which is now threatening to dim our prospects for continued prosperity during the 1970's.

In these times of ever increasing costs and rising taxation inflation is often regarded as the most malicious of all taxes.

Inflation has already undermined and reduced the incomes of large sections of our population and is creating poverty and hardship for many. There is much public concern over inflation and constantly higher taxes and this is one of the most critical issues facing the people of our country and our Province as we begin the new decade of the 1970's. I shall return to a further discussion of this crucial matter at the conclusion of this speech.

Mr. Speaker, a few comparisons with Budgets of the past will bring the magnitude of the Budget for the fiscal year ahead into proper perspective and illustrate the need for further firm restraints in order to keep the financial affairs of the Province in a sound and healthy condition.

In 1950-51 our total Budget was less than \$100,000,000 and included less than \$13,000,000 for education.

Our record breaking \$1 billion plus budget for the next fiscal year, 1970-71, is about three and one-half times as great as the Budget of \$328,603,133 for the fiscal year 1960-61 at the beginning of the last decade, and more than double our Budget of \$493,782,862 for 1965-66 only five years ago.

Total estimated expenditures for education in our Budget for 1970-71 in the amount of approximately \$404,000,000 are about \$75,000,000 greater than our total Budget at the beginning of the last decade.

Mr. Speaker, may I now turn the attention of the Honourable Members to a summary of economic conditions and activities in Alberta during 1969.



## ECONOMIC CONDITIONS AND ACTIVITIES DURING 1969

### Agriculture

Crop conditions throughout 1969 were very similar to conditions during 1968. Limited harvesting, particularly in central and northern regions, resulted from adverse weather conditions. Much of the grain harvested was damp and tough.

With limited world markets and with the huge volume of grains in storage, little improvement can be expected in 1970. Production is not the problem; rather marketing and distribution will require greater attention from all concerned. However, food production will have growing importance as populations increase, emphasizing the need for expansion in commodities such as livestock and vegetables, and a critical examination of grain production.

Total value of agricultural products in 1969 again exceeded \$1,000,000,000, but net income was down as costs continued to rise. Cash income to farmers decreased by 14% to approximately \$630,000,000.

### Natural Resources

For the second consecutive year the value of production in Alberta's oil and gas industry exceeded one billion dollars as illustrated in the following table:

	1968		1969	
	Production	Value \$ Million	Production	Value \$ Million
*Crude oil—millions of bbls. ....	283.2	728.8	316.0	811.1
Natural gas—trillions of cu. ft. ....	1.09	171.0	1.3	197.1
Propane—millions of bbls. ....	14.5	21.5	16.8	20.9
Butane—millions of bbls. ....	9.5	13.2	10.6	13.2
Sulphur—millions of long tons ....	3.0	76.3	3.6	54.2
		1,010.8		1,096.5

\*includes pentanes plus.

Exports of oil and gas to the United States increased substantially during 1969 with every indication of still greater increases in 1970 and subsequent years. Crude oil exports were 30 million barrels higher to a total of 168.5 million barrels, and exports of natural gas rose to 523.6 billion cubic feet from 475.6 billion cubic feet.

Footage drilled in 1969 remained about the same as in 1968—8.7 million feet. Wells drilled in the Province totalled 1,850, a decrease of 56 from the 1968 total. At the end of 1969 there were 13,970 oil wells, 2,580 producing gas wells and 1,690 capped gas wells. Reserves at December 31, 1968 were 9.53 billion barrels of crude oil and gas liquids, 43.4 trillion cubic feet of natural gas and 139.7 million long tons of sulphur.

Twelve new gas processing plants went into production in 1969, bringing the total number in the Province to 116. Gathering pipe line facilities for oil and gas in Alberta were considerably increased during the year.

Production of coal during 1969 increased by 10% to a total of 4.4 million tons. Substantial increases can be expected in the future through contracts with Japan providing for shipments of more than 60 million long tons of Alberta coal over the next 15 years.

With somewhat better market conditions for the sale of pulp and paper the value of our forest production nearly reached 40 million dollars in 1969, not far from the peak of 41.4 million dollars in 1968. The value of wild furs and commercial fishing increased slightly to 12.9 million dollars.



## Industrial Development

With the exception of agriculture, industry in Alberta continued to expand and improve at a very satisfactory rate during 1969. The following table illustrates this trend:

	1968	Preliminary 1969
Value of manufacturing shipments .....	\$1,649,200,000	\$1,757,000,000
Construction .....	1,465,393,000	1,561,152,000
Mineral production .....	1,091,749,049	1,193,279,802
Farm cash income .....	731,624,000	630,000,000

As a result of the general up-trend, labour income increased by 15%, retail trade was over 9% higher and wholesale trade was up 12%.

Despite the credit squeeze, high interest costs, and various measures imposed by the Federal Government and conditions in international markets; there is little real evidence that the inflationary spiral has been halted or even slowed down. Dependent as we are on foreign trade we are forced to a considerable degree to follow the trends and prices in other countries, particularly the United States.

In Alberta, as in our sister prairie provinces we face a depressed grain market. Fortunately our other industries are showing excellent growth, and with this growth apparently assured for the foreseeable future, we can look forward to a good year in 1970.

## Alberta Resources Railway

Construction of the Alberta Resources Railway commenced in 1965 has been completed at a final cost well within \$100,000,000.

This new 234 mile railway line financed by the Government of Alberta for Canadian National Railways and officially opened by Premier Strom on May 28th, 1969, will make a tremendous contribution to the further economic development of the Province during the 1970's. The rich natural resources of the area south of Grande Prairie have been opened up for development and the long awaited Peace to Pacific railway link is at last a reality.

Pursuant to our agreement, Canadian National Railways will commence operating the line early this year as a regular part of its transportation system throughout Canada.

Additional trackage has been laid in the Grande Cache area to facilitate the shipping-in of equipment and material to the rapidly developing New Town of Grande Cache and the coal mines on the Smoky River. Shipments of coal will soon start to move from the McIntyre Porcupine Mine to Japanese and other markets. Present contracts with Japanese interests call for delivery of more than thirty million tons of coal over a period of about fifteen years.

During the past year the Alberta Resources Railway has aroused much favorable interest and attention elsewhere in Canada and is widely regarded as a significant contribution to the economy of the country.

Late last September the Honourable Members made a tour of the new railway by arrangement with Canadian National. I am sure I can speak for all Honourable Members in expressing our sincere appreciation for the splendid accommodation and the many courtesies extended by Canadian National Railways on that occasion.



Treasury Branches

During 1969 the Treasury Branches further strengthened their position and continued to play an expanding role in providing a wide range of financial services to farmers, businessmen, industries and a very large number of individual depositors and borrowers throughout Alberta. Deposits increased by 16 million dollars to a total of 204 million dollars with the number of depositors growing from 128 thousand to 137 thousand. The number of borrowers increased by nearly 10% to a total of 12.8 thousand with 113.8 million dollars on loan at the end of the year.

There are 70 branches and 83 agencies in operation in the Province with additional areas being continually studied for possible new economic outlets for the service.

The following statement shows in summary the results of the financial operations of the Treasury Branches for the last two fiscal years:

	Fiscal years ended March 31	
	1968	1969
Total revenue .....	\$ 10,003,432	\$ 13,631,639
Total expenditure .....	8,610,720	10,594,462
	\$ 1,392,712	\$ 3,037,177
Less: Transferred to reserve .....	392,712	2,037,177
Net revenue credited to the General Reserve Fund of the Province .....	\$ 1,000,000	\$ 1,000,000
Reserve Fund .....	\$ 5,141,067	\$ 7,061,770

SCOPE AND FUNCTION OF THE BUDGET

Mr. Speaker—having touched on a number of important aspects of economic conditions and activities in Alberta during 1969 I would now like to turn the attention of the Honourable Members to some of the main highlights of the Budget for the fiscal year ahead.

As in past years this Budget consists of numerous appropriations classified by various Departments of the Government and divided into two categories: income account items which may recur every year; and capital account items which occur once only.

In these times when the responsibilities of government at all levels are increasing rapidly in number and complexity it is essential to consider proposed expenditures in terms of the social and economic function which these expenditures are expected to perform. Allocation and control of funds through the organization of various Departments is a necessary and convenient form and method of administration which must be maintained. It is increasingly important, however, that the scope, function and purpose of proposed expenditures which may be shared by two or more Departments must be given full and careful consideration in the preparation of a budget.

If the Budget proposed for the fiscal year 1970-71 is examined from this point of view it will be seen that proposed expenditures are related to four functions which may be described as development of human resources, development of physical resources, general administration and financial administration.

1—DEVELOPMENT OF HUMAN RESOURCES

Expenditures for development of human resources which will be used to improve and enhance the quality of life in the Province and for the



purpose of human betterment have always been accorded top priority by the Social Credit Government of Alberta, and have received increasing emphasis in recent years. Nearly all Departments of Government are engaged in programs associated with the development of human resources and it is the policy of the Government to secure effective coordination of these programs through the agency of the Human Resources Development Authority.

The major programs designed to improve and enhance the quality of life in Alberta are found in the Department of Education, the Department of Health and the Department of Social Development.

## Education

The following table shows the total amounts provided in the Estimates for Education for the coming year:

Department of Education—Expenditure on Income Account .....	\$333,029,206
Capital grants for universities .....	40,000,000
Capital grants for colleges .....	14,000,000
Operation of Agricultural Colleges .....	2,186,110
Capital provided in Public Works Department for construction and equipment at technical and vocational institutions .....	15,435,050
	<u>\$404,650,366</u>

Total estimated expenditure of \$404, 650,366 is \$81,734,016 more than the amount estimated for the present year and represents 35% of our total budget. Furthermore, this increase is not far short of the total of our increase in all income revenues of \$84,289,516.

In addition capital loans of upwards of \$50,000,000 for construction of public schools, will be provided by Alberta Municipal Financing Corporation.

The Province intends to increase its contribution to the operation of school boards by \$40,000,000 to a total of \$198,300,000, and in addition its commitments to the teachers' pension funds will cost \$4,538,500.

Operation of the Northern and Southern Institutes of Technology are expected to cost \$14,931,473, and \$8,960,100 have been provided to operate the colleges in the Provincial system.

Full-time student enrolment at our three universities is presently 26,575 and is expected to increase to 30,300 next year. Included in the Estimates is \$80,000,000 in operating grants for the universities and \$40,000,000 in capital grants.

Revenues totalling \$62,336,810, are expected from the Federal Government, pursuant to our agreements with respect to the cost of post-secondary education and vocational training.

## Health

On July 1, 1969 the Alberta Health Plan was terminated and the Alberta Health Care Insurance Plan commenced operations. During its early stages, and having regard to the Federal rules regarding participation in the national medicare scheme, our new Plan was oriented chiefly towards medical coverage. With the experience gained and following a thorough study, the Minister of Health will introduce a new Plan, enlarging and refining the terms and benefits of the existing Plan. In the Estimates of the Department we have included an appropriation of \$9,500,000 to pay for administration and direct subsidies to the new Plan.

One of the factors of the proposed Plan is the elimination, as such, of the present daily charge to patients in hospitals, commonly known as the



co-insurance fee. Hospitals will still collect this charge but it will be paid from the Hospital Services appropriation, which together with increasing costs and number of beds will require \$166,729,200 next year, an increase of \$19,373,560 over the amount for the current year.

As part of a plan to revise the division of costs between the Province and the municipalities with respect to health and education, the Government will terminate the four mill municipal contribution to hospital services. Estimates of Revenue in the Department of Municipal Affairs reflect this reduction which for the current year had been estimated to yield \$11,800,000.

For the care of mentally ill and handicapped we have appropriated a total sum of \$25,950,000 compared to \$22,760,980 estimated last year. In addition there is provision in the capital estimates of the Public Works Department of \$1,061,300 for improvements and additions to the hospitals caring for these people.

Most of the Department's revenue comes from reimbursements from the Federal Government, the main item being \$74,357,480 with respect to the hospital insurance plan.

## **Social Development**

Under public assistance the Department of Social Development expects some 25,000 cases to come under its attention next year for assistance, involving approximately 70,000 persons. The total cost is estimated to be \$49,475,150 compared to \$45,956,100 for the current year. Funds have also been provided in co-operation with municipalities to advance social service projects for the development and rehabilitation of persons in need.

The cost of child welfare has increased from \$7,381,839 to an expected \$8,859,533, and \$1,571,825 have been provided to operate our welfare homes and institutions.

In the Public Works Capital Estimates, \$2,025,900 have been included for various projects including completion of the dormitory and recreational wing at the Diagnostic Centre in Edmonton, and construction at various homes for senior citizens, juvenile offenders and other welfare cases.

## **Provincial Secretary**

While the major programs with respect to the development of human resources are offered by the Department of Education, Health and Social Development important programs for this broad purpose are also offered by a number of other Departments.

The Department of the Provincial Secretary provides leadership and financial assistance for cultural activities and manages the Jubilee Auditoria in Edmonton and Calgary as well as the Provincial Museum and Archives. The major portion of the expenditure of the Department will be directed towards these purposes.

## **Lands and Forests**

The Department of Lands and Forests maintains a large number of Provincial Parks for the enjoyment and recreation of the people of the Province. Patronage at Provincial Parks approached 4.5 million visitors in 1969. Further development is essential and desirable and the Estimates of the Department of Public Works includes the sum of \$954,000 for sites and construction for Provincial Parks.



## **Municipal Affairs**

One of the most significant and substantial features of this Budget associated with human betterment and efforts to further improve the quality of life in Alberta is the provision for additional housing through the Department of Municipal Affairs.

A number of plans for urban renewal and housing in the Province have now been well advanced. The Alberta Housing and Urban Renewal Corporation is the vehicle through which the Province will develop these plans in co-operation with the municipalities, and with the Federal Government through its Central Mortgage and Housing Corporation.

The Corporation has planned an extensive capital program to cost nearly \$40,000,000, including \$21,000,000 for land assembly and most of the remaining amount for housing for low income families, welfare recipients, senior citizens and northern areas. The Corporation expects to borrow a substantial portion of its capital requirements from Central Mortgage and Housing Corporation, and the proceeds from these loans are reflected in the capital receipts of the Department.

In addition to its capital program, the Corporation, from its appropriation on income account, will make grants to municipalities towards the preparation of urban renewal schemes, and towards the subsidization of rentals in public housing.

## **Youth**

The Department of Youth is actively engaged in a number of programs towards the development of youth activities. Co-operation with municipalities is essential and \$1,586,040 have been provided to supervise and assist local authorities to promote youth movements and interests.

The Public Works capital estimates include \$138,200 towards construction of an outdoor education centre at Blue Lake.

## **ARDA Projects**

ARDA projects which have been initiated during the past five years under the original agreement with the Government of Canada are being completed. During the next two or three years the Province will receive reimbursements from the Federal Government in the amount of approximately \$5 million to wind up these projects.

New agreements are presently under negotiation between the Human Resources Development Authority and the Federal Department of Regional Economic Expansion. Emphasis is being placed on projects involving our native people. To date the amount of the funds which may be available from the Federal Government has not been indicated. Supplementary Estimates may be necessary during the year to accommodate these programs.

## **Human Resources Research Council**

Before leaving the subject of human resources development may I call attention to the provision for the programs and projects of the Human Resources Research Council. Among the appropriations for the Executive Council is the sum of \$900,000 which will enable the Research Council to undertake a modest expansion of its activities during the fiscal year.



## 2—DEVELOPMENT OF PHYSICAL RESOURCES

In a relatively young Province such as Alberta with a vast area much of which is sparsely settled or completely uninhabited but endowed with an abundance of natural resources, the development and conservation of our physical assets, and policies and programs to encourage the establishment and expansion of industries will remain a very important field of government responsibility far into the future.

### Functions of Several Departments

The Departments of Agriculture, Lands and Forests, Industry and Tourism, and Mines and Minerals fulfill many important functions in this area of responsibility, and the Departments of Highways and Transport, and Public Works are assigned the specific responsibility of constructing the highways, bridges, public buildings, and other physical facilities which are required in ever greater quantity to keep pace with the growth of population and economic expansion from year to year.

### Agriculture

Estimates for the Department of Agriculture on both income and capital accounts total \$21,751,230 which is \$2,622,711 less than the amount estimated last year. The decrease is attributable to the termination of the ARDA agreement on March 31, 1970. Discussions are presently being held with the Federal Government to consider possible new shared-cost programs to continue to up-grade certain areas in the Province.

With the ARDA appropriations showing a decrease of \$6,351,000, there is actually a net increase of more than \$3,700,000 for the Department to extend its programs of assistance to the agriculture industry and to the development of water resources.

### Lands and Forests

In the Department of Lands and Forests management and conservation of our forest areas will require \$11,273,220 next year, and a further appropriation of \$1,882,870 has been included for administration of the Fish and Wildlife Division.

The incidence of forest fires was again serious during the year with 556 fires burning approximately 78,000 acres of forest land. Cost of fighting these fires was  $2\frac{3}{4}$  million dollars. A new Forest Service Depot in Edmonton greatly assisted in the co-ordinated use of fire-fighting equipment.

The area of public lands held under grazing leases continues to increase, and many farm consolidations under ARDA in designated districts were completed.

### Industry and Tourism

In the Department of Industry and Tourism estimates show an increase of \$814,850 in the total vote for the Department which is mainly attributed to more informed methods of publicizing Alberta through trade fairs and to research into methods of promoting industrial development.



## Public Works

Because the need for restraint in public spending remains urgent, construction of new public buildings will again be limited to essential requirements which cannot be deferred.

The following table shows the complete capital program planned by the Department of Public Works for next year:

1. Department of Agriculture:	
Agricultural and Vocational Colleges .....	\$ 1,751,500
Peace River Regional Veterinary Laboratory .....	235,000
Tree Nursery, Oliver .....	242,000
Other .....	195,900
2. Attorney General's Detartment:	
Institutions .....	1,002,000
Magistrates' Courts and Remand Centres .....	1,706,000
Court House, Edmonton .....	4,000,000
Other .....	587,100
3. Department of Education:	
Institutes of Technology .....	1,833,100
Alberta Vocational Centre, Calgary .....	4,000,000
Alberta Vocational Centre, Edmonton .....	3,298,000
Other Industrial and Training Schools .....	878,400
4. Executive Council:	
Alberta Research Council .....	177,300
Oil Core Storage Building, Calgary .....	30,000
5. Department of Highways and Transport:	
Motor Vehicle Testing Buildings .....	350,000
Maintenance shops, garages, etc. ....	1,856,200
6. Department of Lands and Forests:	
Fish Hatchery and Rearing Station, Calgary .....	370,000
Provincial Parks Shops, Edmonton .....	265,000
Forestry and parks facilities .....	1,041,400
7. Department of Health:	
Alberta Hospitals and Institutions .....	1,152,800
Alberta Health Care Insurance Commission Bldg. ....	505,000
8. Department of Social Development:	
Senior Citizens' Homes .....	940,500
Diagnostic and Treatment Centre, Edmonton .....	381,000
Other welfare centres and homes .....	704,400
9. Treasury Department:	
Queen's Printer Building .....	800,000
Treasury Branches .....	747,000
10. Department of Youth:	
Outdoor Education Centre, Blue Lake .....	138,200
11. Department of Public Works:	
Utilities in University Area .....	8,400,000
Health Sciences Centre, Calgary .....	505,000
Edmonton Regional water pipeline .....	1,500,000
Provincial Buildings .....	1,048,500
Designing, landscaping, roads, etc. ....	4,517,500
Total estimated construction of public buildings .....	\$ 45,158,800
Furnishings and equipment for all public buildings .....	6,580,826
Total—Department of Public Works—Capital Estimates .....	\$ 51,739,626

Also included in the appropriations of the Department of Public Works is the sum of \$3,250,000 to pay grants to municipalities in lieu of property and business taxes on public buildings, and \$210,000 to assist in the construction of municipal police buildings.



## **Mines and Minerals**

The Department of Mines and Minerals which supervises the many activities in connection with the development of the petroleum, natural gas and coal resources of the Province will require a modest increase of less than \$100,000 to discharge its very important responsibilities during the ensuing year.

## **Executive Council**

Two agencies which play a leading role in connection with the development of physical resources are the Oil and Gas Conservation Board and the Research Council of Alberta. The appropriation for the Conservation Board is \$1,417,000, an increase of \$297,000 and the amount provided for the Research Council has been increased by more than 12% to \$3,338,640.

## **Highways and Transport**

The capital vote for main highway construction has been increased by \$3,752,740 to permit the Department to maintain its program of building a network of modern highways wherever they are economically required in the Province.

Appropriations have also been included to maintain our highways and bridges, to provide a major portion of road costs to municipalities, and to make grants available to cities with respect to the construction of certain roads and structures.

We expect to obtain revenue of \$26,612,800 from motor vehicle licenses and fees.

## **3—GENERAL ADMINISTRATION**

A substantial number of items in the Budget which are not clearly associated with the development of human resources or the development of physical resources but which are provided for law enforcement, public safety inspection and regulation can be grouped under the heading of general administration.

Appropriations for the Department of the Attorney General and the Department of Labour as well as certain appropriations for the Legislature itself and the Executive Council fall largely within this group.

### **Attorney General**

In order to meet the growth and improvements for legal services, court costs and correctional care, the total vote for the Attorney General's Department has been increased by \$4,206,160 to \$25,904,730.

The cost of correctional care is estimated to be \$9,079,240 next year compared to \$7,794,960 for the current year. Our agreement with the Federal Government for R.C.M.P. protection will require \$5,867,050, an increase of \$623,410, and the cost of providing public defence has nearly tripled at \$607,700.

### **Labour**

The operations of the Department of Labour will require appropriations totalling \$4,103,100 for the year ahead to continue the many useful services



provided by this Department to promote safety and ensure a high standard of qualifications for tradesmen. The apprenticeship training program supervised by this Department is a valuable and outstanding feature of the educational services offered by the Province.

### **Other**

In connection with appropriations for general administration two further highlights should be mentioned.

Additional funds are required to provide for the increasing payments and pensions under the Public Service and Local Authorities Pension Boards. These payments will increase by \$1,870,000 to \$9,270,000 and are included in the Executive Council vote.

Additional funds will also be required under the vote for Legislation for the Data Processing Centre to handle new programs for the computer, chief among them being the Alberta Health Insurance Plan. The appropriation has been increased by \$619,135 to \$2,213,815.

## **4—FINANCIAL ADMINISTRATION**

The fourth and last group of items in the Budget may be clearly identified with financial administration which is mainly the responsibility of the Treasury Department.

In dealing with these items I propose to discuss Federal-Provincial Fiscal Arrangements, the Public Debt of the Province, the Public Accounts for the fiscal year 1968-69, some features with respect to the estimates of the Treasury Department and a tabulation of the Estimates, Department by Department for the coming fiscal year.

### **Federal-Provincial Fiscal Arrangements**

During 1969 Alberta representatives attended a number of Federal Conferences which were called to discuss the Constitution and financial matters.

Last November the Federal Government issued a White Paper setting forth its proposals for reform of the income tax system.

On February 2nd and 3rd this year I attended a meeting of the Ministers of Finance and Provincial Treasurers in Quebec City where I submitted a statement which summarizes the position of Alberta regarding fiscal arrangements between the Federal and Provincial Governments and the White Paper on Tax Reform. A copy of this statement is attached as an Appendix to this Speech.

### **Public Debt**

As I indicated earlier in this Speech, we expect to finance a considerable portion of our capital expenditures by borrowing. The cost of this borrowing has been reflected in estimates for public debt being increased by \$2,478,560. We will redeem \$1,976,100 debentures which will mature during the year.

The following table shows our net direct and guaranteed debt at March 31, 1969 with a comparison to the debt at March 31, 1968.



	March 31		
	1969	1968	Increase
Net direct debt .....	\$ 62,158,974	\$ 48,809,605	\$ 13,349,369
Net guaranteed debt:			
Alberta Municipal			
Financing Corporation .....	643,403,064	563,970,028	79,433,036
Alberta Government			
Telephones Commission .....	272,042,433	248,483,427	23,559,006
Alberta Resources Railway			
Corporation .....	75,000,000	25,000,000	50,000,000
Alberta Universities Commission .....	44,590,606	20,000,000	24,590,606
Other guarantees .....	13,403,823	10,509,465	2,894,358
TOTAL .....	<u>\$1,110,598,900</u>	<u>\$916,772,525</u>	<u>\$193,826,375</u>

At March 31, 1969 our reserves amounted to \$550,000,000 consisting of \$262,000,000 in various loans and advances, and \$288,000,000 in cash and investments.

### Public Accounts—1968-69

The Public Accounts for the Province for the fiscal year ended March 31, 1969 have been tabled and are available to the public. They provide detailed information on the financial operations of the Government and its agencies for the year under review.

The Accounts show a surplus of \$105,287,807 on income account. This amount together with capital receipts totalling \$98,138,607 financed our capital expenditures of \$172,330,923 and left surplus funds amounting to \$31,095,492.

Our greatly improved position is due chiefly to much higher returns from the sale of Petroleum and Natural Gas Crown Reserve Leases and Reservations; and to a reduction in capital expenditures on Public Works resulting from some projects being delayed or deferred.

### Treasury Department Estimates

Chiefly due to the growth in personal income, we expect a very substantial increase in our income tax receipts next year. Total amount estimated is \$222,500,000 which is \$50,000,000 more than the amount anticipated for the current year.

We will realize \$17,112,200 from interest on our reserves and liquor profits are anticipated to be \$11,364,000 higher at \$56,675,000 due partially to an adjustment in beer prices.

Estate taxes remitted to us by the Federal Government are expected to amount to \$8,000,000, and a similar amount will be refunded to the estates of deceased Alberta residents in accordance with our Estate Tax Rebate Act.

A transfer of income tax from the Federal Government with respect to certain public utility companies is estimated to be \$7,800,000. This amount together with our Provincial income tax from the same companies will total \$9,000,000 which is the amount appropriated to be returned to those companies next year for the benefit of their consumers.

Unconditional grants equal to one-third of our revenue from royalties on petroleum and natural gas during the previous calendar year, and amounting to \$37,739,595, will be paid to municipalities next year. This is an increase of nearly \$4,000,000 over similar grants made during the current year.

Homeowners' tax discounts for eligible residences in Alberta will cost an estimated amount of \$13,829,300.



Capital receipts include the proceeds from the sale of \$20,000,000 Alberta Resources Railway debentures to reimburse the Government for capital advances made to the Corporation.

In addition to the estimates to be authorized under The Appropriation Act, certain payments are expected to be made under statutory authority. These are estimated to total \$12,500,000 including \$10,000,000 for loans to municipalities for acquisition of land for urban renewal and controlled streets as provided in The Municipal Land Loans Act.

### Estimates—Fiscal Year Ending March 31, 1971

Copies of the Estimates of Revenue and Expenditure for the fiscal year ending March 31, 1971 have been tabled and distributed to the Honourable Members.

The Estimates are summarized as follows:

Income Account:	
Revenue .....	\$954,414,791
Expenditure .....	930,312,894
Excess of Revenue over expenditure on income account .....	<u>\$ 24,101,897</u>
Capital Account:	
Expenditure including statutory payments .....	\$215,699,291
Revenue .....	<u>\$ 78,753,385</u>
Excess of capital expenditure over capital revenue .....	\$136,945,906
Deduct excess income account revenue contributed to capital expenditure .....	<u>24,101,897</u>
Net capital expenditure to be financed from borrowings and reserves .....	<u><u>\$112,844,009</u></u>

The following tables show our estimated revenue and expenditure by Departments with a comparison to the amounts estimated last year.

### ESTIMATED REVENUE — INCOME ACCOUNT

Department:	Estimates 1970-71	Estimates 1969-70	Increase Decrease*
Agriculture .....	\$ 5,465,050	\$ 5,519,500	\$ 54,450*
Attorney General .....	8,774,250	8,162,000	612,250
Education .....	64,622,560	49,209,730	15,412,830
Executive Council .....	18,953,105	17,600,395	1,352,710
Highways and Transport .....	27,751,550	25,055,700	2,695,850
Industry and Tourism .....	482,000	387,000	95,000
Labour .....	1,417,000	1,337,000	80,000
Lands and Forests .....	11,415,750	10,744,200	671,550
Legislation .....	1,115,000	750,000	365,000
Mines and Minerals .....	258,323,500	272,893,500	14,570,000*
Municipal Affairs .....	2,319,701	13,674,470	11,354,769*
Provincial Secretary .....	86,836,250	82,911,750	3,924,500
Health .....	83,858,630	76,858,200	7,000,430
Social Development .....	35,029,375	31,651,670	3,377,705
Public Works .....	3,025,260	2,264,075	761,185
Treasury .....	344,900,700	270,946,915	73,953,785
Youth .....	125,110	159,170	34,060*
Total: Estimated Revenue Income Account .....	<u>\$954,414,791</u>	<u>\$870,125,275</u>	<u>\$ 84,289,516</u>

In addition to the foregoing statement of departmental revenue, I think it would be of interest to show the main sources from which the revenue is obtained and to compare those revenues with last year's figures.



Source of Revenue	Estimates 1970-71	Estimates 1969-70	Increase Decrease*
The Alberta Income Tax Act .....	\$222,500,000	\$172,500,000	\$ 50,000,000
Fiscal arrangements and subsidies .....	18,808,000	17,273,000	1,535,000
Fuel Oil Tax and Auto Licenses .....	105,612,800	100,421,500	5,191,300
Alberta Liquor Control Board .....	56,675,000	45,311,000	11,364,000
Natural Resources .....	269,430,500	283,539,000	14,108,500*
Government of Canada .....	177,743,870	150,331,335	27,412,535
All other sources .....	103,644,621	100,749,440	2,895,181
	<u>\$954,414,791</u>	<u>\$870,125,275</u>	<u>\$ 84,289,516</u>

## ESTIMATED CAPITAL RECEIPTS

Department	Estimates 1970-71	Estimates 1969-70	Increase Decrease*
Agriculture .....	\$ 840,250	\$ 2,881,885	\$ 2,041,635*
Highways and Transport .....	1,273,000	898,000	375,000
Lands and Forests .....	2,376,510	1,675,000	701,510
Municipal Affairs .....	26,329,225	755,100	25,574,125
Public Works .....	4,373,000	4,098,000	275,000
Treasury .....	43,561,400	64,766,200	21,204,800*
Total:			
Estimated Capital Receipts .....	<u>\$ 78,753,385</u>	<u>\$ 75,074,185</u>	<u>\$ 3,679,200</u>

## ESTIMATED EXPENDITURE — INCOME ACCOUNT

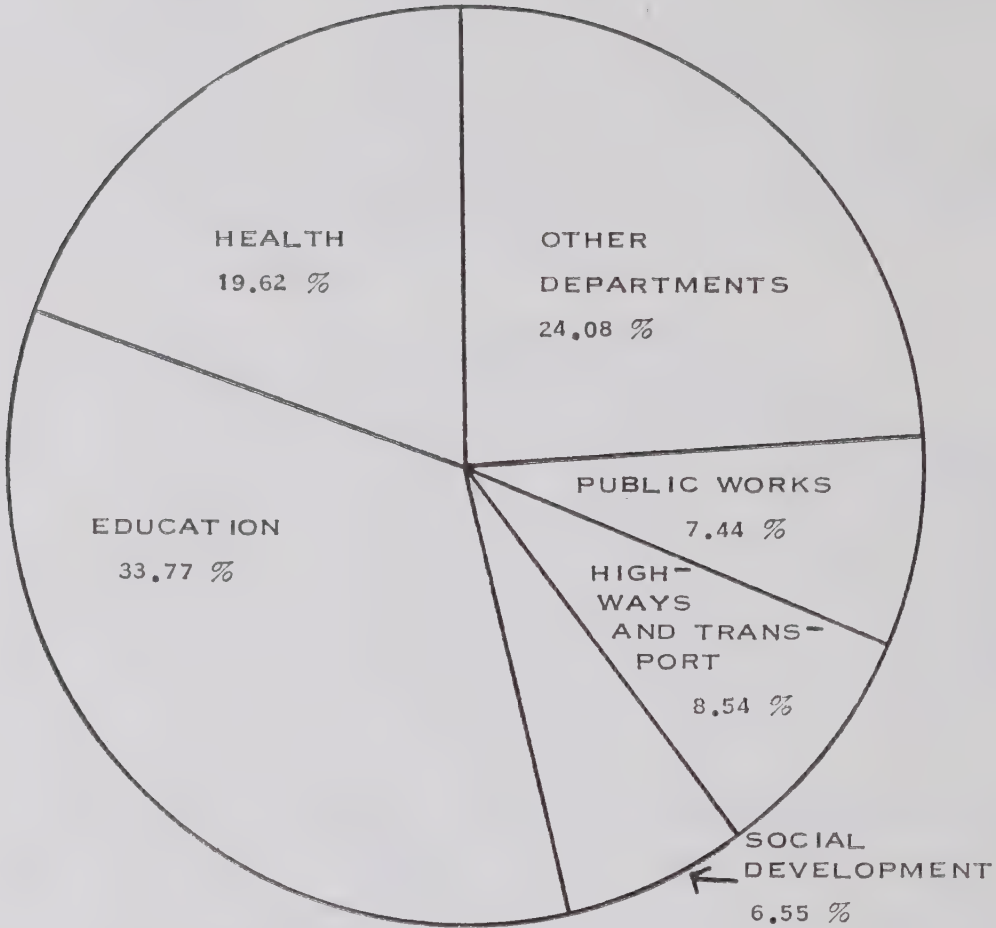
Department	Estimates 1970-71	Estimates 1969-70	Increase Decrease*
Agriculture .....	\$ 16,625,590	\$ 15,962,313	\$ 663,277
Attorney General .....	25,904,730	21,698,570	4,206,160
Education .....	333,029,206	272,028,095	61,001,111
Executive Council .....	17,341,290	14,249,026	3,092,264
Highways and Transport .....	50,810,360	50,528,110	282,250
Industry and Tourism .....	3,298,190	2,483,340	814,850
Labour .....	4,103,100	3,535,400	567,700
Lands and Forests .....	18,418,290	17,159,360	1,258,930
Legislation .....	4,080,017	3,160,985	919,032
Mines and Minerals .....	2,223,730	2,155,400	68,330
Municipal Affairs .....	11,845,811	6,092,900	5,752,911
Provincial Secretary .....	3,837,850	3,554,780	283,070
Public Debt .....	8,297,930	5,819,370	2,478,560
Health .....	223,125,900	211,328,640	11,797,260
Social Development .....	75,126,560	67,860,134	7,266,426
Public Works .....	33,486,880	29,270,290	4,216,590
Treasury .....	95,938,200	89,106,335	6,831,865
Youth .....	2,819,260	2,970,760	151,500*
Total: Estimated Expenditure			
Income Account .....	<u>\$930,312,894</u>	<u>\$818,963,808</u>	<u>\$111,349,086</u>

## ESTIMATED CAPITAL EXPENDITURE

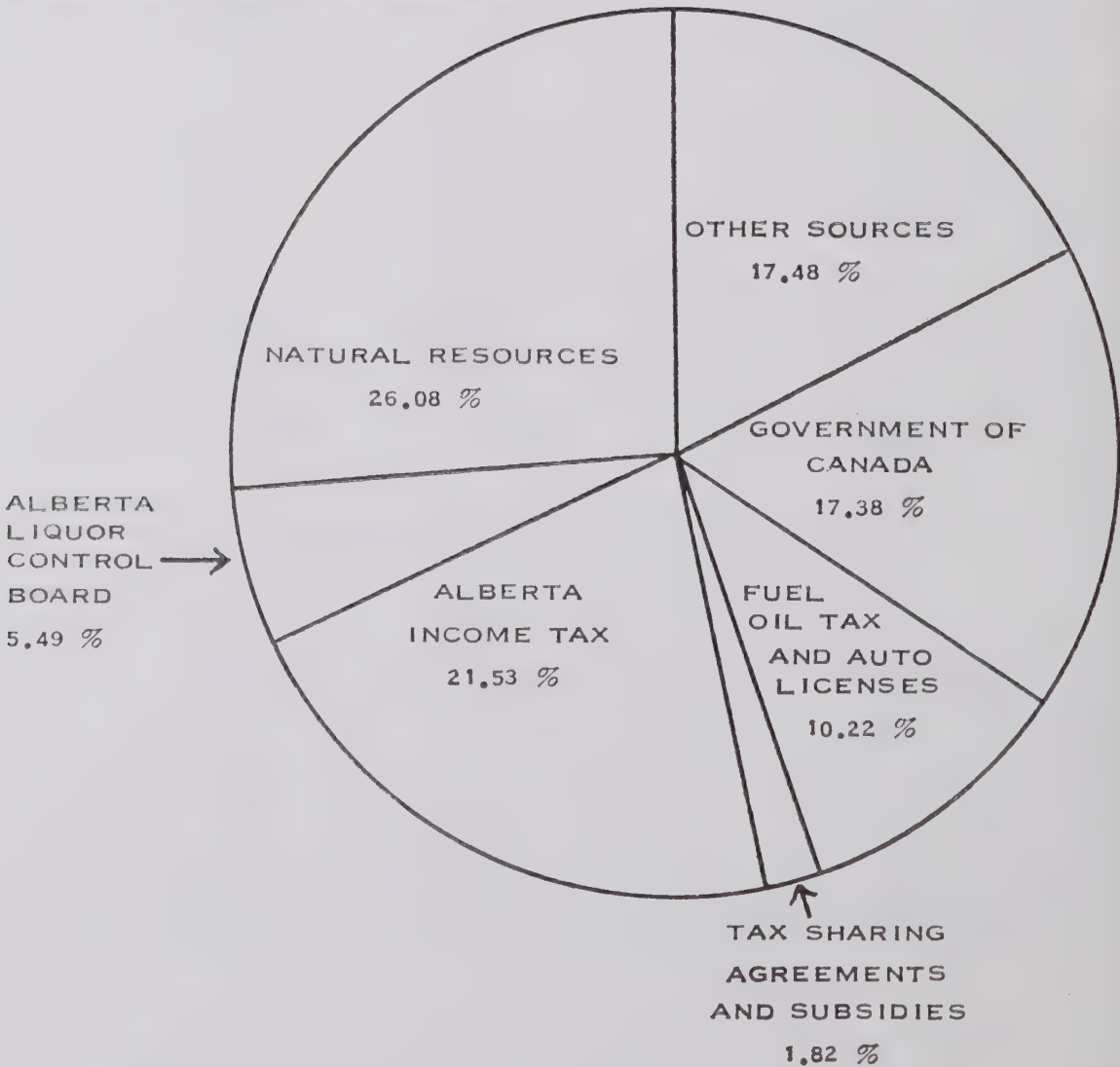
Department	Estimates 1970-71	Estimates 1969-70	Increase Decrease*
Agriculture .....	\$ 5,125,640	\$ 8,411,628	\$ 3,285,988*
Education .....	54,000,000	35,400,000	18,600,000
Executive Council .....	1,000,000	3,000,000	2,000,000*
Highways and Transport .....	47,031,320	43,278,580	3,752,740
Lands and Forests .....	1,834,980	1,077,020	757,960
Municipal Affairs .....	39,497,725	5,618,000	33,879,725
Health .....	1,750,000	500,000	1,250,000
Public Works .....	51,739,626	47,578,239	4,161,387
Treasury .....	1,220,000	485,000	735,000
Total: Estimated Expenditure			
Capital Account .....	<u>\$203,199,291</u>	<u>\$145,348,467</u>	<u>\$ 57,850,824</u>



Percentage of estimated expenditure by major departments for the fiscal year ending March 31, 1971—Combined income and capital accounts and net statutory payments.



Percentage of estimated revenue by source for the fiscal year ending March 31, 1971—Combined income and capital accounts.





## **FISCAL ASSISTANCE TO LOCAL AUTHORITIES**

Appended to this Speech is a statement showing the extent to which the Province assists local authorities in discharging their responsibilities, both by direct payments and by payments to or on behalf of individuals in the matter of hospital and medical care. Total direct and indirect assistance will amount to \$403,991,728 for the coming year which is more than one-third of our total budget.

The Province's contribution to the School Foundation Fund, and other school grants, are estimated to be \$198,298,500, an increase of \$42,100,000 over the amount provided last year. Unconditional grants under The Municipal Assistance Act will increase by nearly 12% to a total of \$37,739,595.

The Government will also make \$10,000,000 in loans available under The Municipal Land Loans Act. This is in addition to loans provided by the Alberta Municipal Financing Corporation through which practically all capital programs of our local authorities are financed.

## **CONCLUSION**

In presenting our first annual Budget for the 1970's we are convinced that this new decade holds in store a great new era of progress and achievement for Alberta.

Few regions of the world have the enormous potential for further development found in our Province.

If conditions and events beyond our borders and beyond our control on the national and international scene, such as inflation, do not hamper or curtail social and economic advancement in Alberta the 1970's will be the most fruitful decade in our history since Alberta joined Confederation in 1905.

During the 1950's and the 1960's Alberta achieved remarkable success in utilizing and conserving the vast physical resources of the Province and towards expanding and improving our programs of health and education. This outstanding success must surely inspire optimism and confidence in our ability to rise to the challenge of the many new and complex problems, and to take advantage of the many new and exciting opportunities which the decade just begun is certain to bring.

As we enter the 1970's Premier Strom's Social Credit Government is deeply concerned over the plight and financial needs of many citizens in Alberta and in all parts of Canada which have resulted from inflation, high interest rates and sharp increases in the cost of living.

Ever since 1935 our Government has been firmly committed to principles and policies which will preserve and extend the freedom and increase the purchasing power of the individual citizen. In 1967 these principles and policies were restated fully in modern terms in the White Paper on Human Resources Development issued by the Government during the Session of the Legislature in that year.

With the vigor and strength gained from long and successful experience in pursuing these principles and policies we are well prepared and determined to concentrate our best efforts to find and implement measures to reduce and overcome these adverse economic trends which unfortunately have been gaining momentum in this country during the closing years of the 1960's.



In examining measures which may be effective in dealing with these problems certain proposals known as the Two Factor Theorem and the Second Income Plan advanced by highly qualified and reputable economists have come to the attention of the Government.

During the months ahead it is our intention to make a comprehensive study of these interesting proposals which appear to merit serious and careful consideration.

Mr. Speaker, I move that you do now leave the Chair.



Meeting of the Tax Structure Committee,  
Quebec City, February 2nd and 3rd, 1970

## STATEMENT BY ALBERTA

### Introduction

1. The Tax Structure Committee was established at a Federal Provincial Conference in Quebec City in 1964 to make studies and submit recommendations concerning Federal-Provincial fiscal arrangements for the five year period 1967-72.

2. At the first meeting of the Committee held in Ottawa on October 13th, 1964, the then Minister of Finance outlined the objectives which the Federal Government had in mind in proposing the Committee and estimated that about fifteen months would be required to complete its work.

3. Over five years have now elapsed since the Committee commenced its task and progress is coming to grips with revision of the income tax system, and towards reaching broad general agreement with respect to Federal-Provincial fiscal arrangements for a further period of time has been very slow. During the past five years major changes have occurred in social and economic conditions throughout Canada and the financial operations of all levels of government in the country have expanded at a record breaking pace from year to year. In Alberta the annual Provincial budget has doubled during this period and the combined annual budgets of local governments in the Province have similarly increased. Surely there need be no further delay in making a concentrated effort to finalize mutually acceptable fiscal arrangements between the Federal Government and the Provinces and to stabilize these arrangements for a further specified period of years commencing in the near future.

### Equalization Grant Formula and The Estate Tax

4. Since 1964 equalization grants and the estate tax have been revised by action of the Federal Government and Parliament. While the Government of Alberta subscribes to the principle of equalization we believe that the present formula used to pay equalization grants is loaded against Alberta. It appears to us, however, that for the present at least the Federal Government is fully committed to this distorted formula. With respect to the estate tax Alberta takes the position that this form of taxation should be abolished everywhere in Canada except for very large estates. Since April 1st, 1967, we have been rebating to eligible estates the full amount of Alberta's 75% share of this tax.

### Shared Tax Fields and Shared Cost Programs

5. Alberta wishes to reserve the right to make further submissions on future occasions regarding both the equalization grant formula and the estate tax but at this meeting we shall devote our presentation in the main to a statement of our position with respect to sharing the income tax field and shared cost programs.



6. For nearly thirty years the Federal Government and the Provinces have been sharing revenues from the income tax field pursuant to a succession of agreements. During the same period shared cost programs have increased dramatically in the social service fields of health, education and welfare to the point where the Federal Government now plays a dominant role in discharging responsibilities which by the constitution are assigned to the Provinces. Provincial programs are subject to Federal supervision in order to qualify for reimbursement. A number of these programs were instigated by the Federal Government and the Provinces had no real choice except to participate even though they might not agree with the order of priority of the program or to some of the terms and conditions prescribed by the Federal Government.

7. The Constitutional Conference recognized the priority to be accorded the study of the distribution of powers, in particular the taxing and spending powers, and directed that the Tax Structure Committee should be reconvened for the purpose of examining and reporting at the earliest opportunity to First Ministers, on:

- (i) The occupancy of available tax field by each of the Provincial Governments and the Government of Canada, and
- (ii) Federal-Provincial shared cost program arrangements.

To this end the Continuing Committee of Officials on Fiscal and Economic Matters as instructed by the Tax Structure Committee have undertaken and completed fiscal review and outlook studies for the period 1952 to 1971. The projections contained in these studies forecast a surplus position for the Federal Government commencing in 1969 and continuing through to the end of the forecast period and an alarming acceleration of a deficit position for the Provinces and Municipalities through the same period. These studies confirmed trends shown in like studies made by the Tax Structure Committee in 1966, i.e. an improving Federal Government position through the projection period as compared with a rapidly deteriorating position for the Provinces and Municipalities.

In the forecast period 1969-70 to 1971-72 the projections show a substantial net surplus position for the Federal Government as compared with a deficit position for Provincial and Municipal governments which almost doubles from 1969-70 to 1971-72 to the staggering amount of two billion dollars. This results, of course, from a sharp reduction in expenditure growth at the Federal level accompanied by tax increases as provided in the 1968 and 1969 budgets as opposed to Provincial and Municipal expenditure growth trends which far outpace revenue patterns.

8. Alberta is convinced that these circumstances and developments provide ample evidence of the need to conduct a realistic review of Federal-Provincial fiscal relations. Alberta takes the position that the Provinces should have full freedom to carry out their constitutional responsibilities without domination or supervision by the Federal Government and must be given sufficient taxing room so that an undue burden of taxation is not imposed on the people. To achieve this objective shared-cost agreements should be terminated at the earliest possible time, and the Provinces should have access to a portion of the direct income tax field large enough not only to finance these responsibilities in full but also to reverse the projected deficit trend in the financial position of Provinces and Municipalities. Clearly there is an immediate need for redistribution of the revenue resources available to governments in order that each jurisdiction might realistically be in a position to discharge its responsibilities. While many problems



remain to be resolved through discussions and decisions to be taken in the Constitutional Conference, action to correct the existing imbalance must be taken now.

9. Alberta is prepared to assume full financial responsibility for all existing shared cost programs and to relinquish completely all Federal Government transfer payments in connection with these programs in exchange for withdrawal by the Federal Government from portions of the income tax fields sufficient to give the Provinces the taxing room necessary to assume this full measure of responsibility and to offset the growing deficit trend.

### **White Paper on Tax Reform**

10. With respect to the Federal Proposals for Tax Reform contained in the White Paper issued last November Alberta is preparing a comprehensive submission setting forth our views regarding the impact of these proposals on the economy of the nation and the province with specific attention to the proposals for:

1. New tax treatment for the extractive industries.
2. Incidence of taxation on small businesses.
3. A capital gains tax—
  - (a) the tax rate
  - (b) its application to private residences
  - (c) taxation at five-year intervals on gains accrued but not realized with respect to shares of widely held corporations.
4. Treatment of interest and dividends to the detriment of the capital bond market.
5. Tax treatment for shareholders of public utilities companies.

11. Alberta's submission will be made to the Minister of Finance. In view of the hearings of the Parliamentary Committee in connection with the White Paper on Tax Reform which we understand have now begun we would appreciate some indication from the Minister as to what he considers a reasonable deadline for the presentation of briefs by the Provinces.

PROVINCIAL ASSISTANCE TO MUNICIPALITIES FOR THE TWENTY-ONE YEARS ENDING  
MARCH 31, 1951 TO MARCH 31, 1971

DIRECT FINANCIAL ASSISTANCE					
	Total 18 Years April 1/50 to March 31/68	Actual 1968-69	1969-70 Revised Estimated	1970-71 Estimated	Total 21 Years
<b>1. Education:</b>					
Operational Grants to Schools .....	\$ 801,450,354	\$ 135,555,945	\$ 156,198,500	\$ 198,298,500	\$1,291,503,299
Construction Grants to Schools .....	93,007,700	—	—	—	93,007,700
Construction Grants to Technical Schools (net) .....	31,805,832	5,791,096	776,000	—	38,372,928
Grants to Teachers' Retirement Fund .....	8,255,007	1,869,715	1,700,000	2,425,000	14,249,722
Employer's contribution to Canada Pension Plan .....	3,019,561	1,494,063	1,665,000	2,113,500	8,292,124
Grants in lieu of Free Readers .....	—	—	450,000	461,000	911,000
<b>2. Health:</b>					
Hospital Construction Grants .....	20,752,799	840,736	—	—	21,593,535
Health Service Grants .....	9,355,390	1,351,411	1,936,200	2,426,100	15,069,101
<b>3. Highways and Transport:</b>					
Grants for roads, bridges and other structures .....	244,438,055	29,421,935	32,650,000	31,000,000	337,509,990
<b>4. Treasury:</b>					
Grants in lieu of taxes .....	10,834,484	2,614,096	3,125,000	3,250,000	19,823,580
Municipal Assistance Grants .....	227,619,387	30,904,830	33,773,845	37,739,595	330,037,657
Grants for Police Stations .....	1,298,439	70,283	250,000	210,000	1,828,722
<b>5. Attorney General's:</b>					
Remission of fines collected under The Alberta Liquor Act .....	3,048,193	—	—	—	3,048,193
<b>6. Social Development:</b>					
Indigent Relief .....	34,502,783	3,973,503	5,260,000	5,600,000	49,336,286
<b>7. Lands and Forests:</b>					
Refunds of cultivation and grazing leases .....	7,355,415	64,647	50,770	40,000	7,510,832
<b>8. Provincial Secretary:</b>					
Recreation Grants .....	4,097,332	—	—	—	4,097,332
Centennial Grants .....	1,884,086	105,812	—	—	1,989,898
<b>9. Municipal Affairs:</b>					
Winter Works Incentive Program .....	11,055,676	905,444	—	—	11,961,120
<b>10. Youth:</b>					
Recreation Grants .....	166,907	921,290	1,316,750	1,023,000	3,427,947
TOTAL: Direct Financial Assistance .....	\$1,513,947,400	\$ 215,884,806	\$ 239,152,065	\$ 284,586,695	\$2,253,570,966
<b>Indirect Financial Assistance:</b>					
General hospitalization for all residents and medical services for Pensioners, Polio, Cancer, etc. ....	\$ 472,519,156	\$ 109,219,916	\$ 122,233,425	\$ 119,405,033	\$ 823,377,530
TOTAL: Direct and Indirect Financial Assistance .....	\$1,986,466,556	\$ 325,104,722	\$ 361,385,490	\$ 403,991,728	\$3,076,948,496
<b>Assistance By Loans:</b>					
1. Self Liquidating Projects Act .....	21,994,279	—	—	—	\$ 21,994,279
2. Municipal Capital Expenditure Loans Act .....	125,000,000	—	—	—	125,000,000
3. Municipal Land Loans Act .....	3,195,513	3,560,880	10,000,000	10,000,000	26,756,393
4. Other Municipal Loans .....	73,068,866	771,484	1,492,510	1,000,000	76,332,860
5. School Construction Loans .....	82,638,963	—	—	—	82,638,963
TOTAL: Assistance By Loans .....	\$ 305,897,621	\$ 4,332,364	\$ 11,492,510	\$ 11,000,000	\$ 322,722,495



ESTIMATED VALUE OF AGRICULTURAL PRODUCTION IN ALBERTA, 1968 AND 1969

	1968			1969		
	Production Bushels	Value Per Unit Dollars	Value Dollars	Production Bushels	Value Per Unit Dollars	Value Dollars
<b>Field Crops:</b>						
Wheat .....	166,000,000	1.54	255,640,000	140,000,000	1.42	198,800,000
Oats .....	94,000,000	0.60	56,400,000	102,000,000	0.44	44,880,000
Barley .....	178,000,000	0.83	147,740,000	204,000,000	0.68	138,720,000
Rye .....	2,400,000	1.02	2,448,000	3,500,000	1.02	3,570,000
Mixed Grain .....	14,300,000	0.89	12,727,000	16,000,000	0.75	12,000,000
Flaxseed .....	4,300,000	2.97	12,771,000	8,000,000	2.50	20,000,000
Rapeseed .....	7,200,000	1.80	12,960,000	14,000,000	2.00	28,000,000
Mustard Seed .....	2,516,000	2.40	6,038,000	1,000,000	2.40	2,400,000
Potatoes .....	5,500,000	1.70	9,350,000	7,500,000	1.70	12,750,000
	Tons			Tons		
Tame Hay .....	3,200,000	24.00	76,800,000	4,000,000	27.00	108,000,000
Sugar Beets .....	596,196	14.00	8,347,000	575,000	15.00	8,625,000
Miscellaneous Crops .....	—	—	14,579,000	—	—	15,000,000
Total Value of Field Crops .....			615,800,000			592,745,000
<b>Livestock:</b>						
	Number			Number		
Cattle .....	1,007,093	227.82	229,439,000	945,232	258.00	243,870,000
Calves .....	137,505	114.71	15,773,000	102,955	145.00	14,928,000
Sheep and Lambs .....	96,713	18.63	1,802,000	71,180	20.00	1,424,000
Hogs .....	1,812,384	43.21	78,316,000	1,546,390	53.00	81,959,000
Total Value Livestock .....			325,330,000			342,181,000
<b>Livestock Products:</b>						
Dairy Products .....			63,636,000			64,000,000
Poultry Products .....			32,141,000			36,000,000
Honey and Wax .....			1,522,000			1,500,000
Wool .....			443,000			400,000
Fur Farming .....			2,803,000			3,000,000
Other Livestock Products .....			2,872,000			3,000,000
Total Value of Livestock Products .....			103,417,000			107,900,000
TOTAL VALUE: Field Crops, Livestock and Livestock Products .....			1,044,547,000			1,042,826,000

## NATURAL RESOURCES

		1968 (final)		1969 (preliminary)	
		Production	Value \$	Production	Value \$
Crude Oil and Equivalent .....	Bbls.	282,300,000	728,800,000	316,000,000	811,100,000
Propane .....	Bbls.	14,500,000	21,500,000	16,800,000	20,900,000
Butane .....	Bbls.	9,500,000	13,200,000	10,600,000	13,200,000
Marketed Gas .....	Mcf.	1,090,000,000	171,000,000	1,300,000,000	197,100,000
Sulphur .....	Long Tons	3,000,000	76,300,000	3,600,000	54,200,000
TOTAL Oil, Gas and Gas Products .....			1,010,800,000		1,096,500,000
Coal .....	Tons	3,913,801	12,100,484	4,422,036	13,895,992
Salt .....	Tons	120,381	1,776,359	125,469	2,462,092
Cement .....	Tons	832,588	18,072,409	856,544	19,138,991
Lime .....	Tons	76,984	1,414,679	85,782	1,736,220
Sand and Gravel .....	Tons	13,600,098	10,739,614	13,700,000	10,800,000
Stone .....	Tons	220,523	695,872	225,300	697,200
Clay Products .....	Tons	—	4,424,543	—	3,889,766
Gold and Silver .....	Oz.	159,	5,535	110	3,789
Forestry (Crown Lands)					
Production Lumber .....	F.B.M.	320,000,000	18,400,000	440,000,000	25,300,000
Total Value of Lumber and Other Forestry Products .....		—	23,030,000	—	33,000,000
Fur Wild Life .....	No. Pelts	820,704	1,520,347	646,452	1,996,232
Commercial Fishing .....	Lbs.	11,880,547	1,476,517	11,986,639	1,466,369

## OTHER STATISTICS

	1968 (Final)	1969 (Preliminary)
Retail Trade .....	\$ 2,028,000,000	\$ 2,200,000,000
Value of Manufacturing Shipments .....	\$ 1,649,161,827	\$ 1,757,000,000
Electricity—Net Generated KW Hrs. ....	7,661,401,000	8,960,000,000
Value of Building Permits Issued .....	\$ 469,019,188	\$ 485,809,623
Bank Debits .....	\$41,907,512,000	\$47,800,000,000
Motor Vehicles Licensed .....	No. 754,449	777,891
Gravel or Surfaced Roads and Highways .....	Miles 62,746	62,900
Population—June 1 .....	No. 1,526,000	1,561,000
No. of School Rooms in Operation June 30 .....	No. 14,889	15,516
Visitors to National Parks .....	No. 3,721,634	4,071,696













